

PRE-APPEAL BRIEF REQUEST FOR REVIEW

Docket Number (Optional)

020375-045200US

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on February 2, 2009.

TOWNSEND and TOWNSEND and CREW LLP

Signature /Joni E. Peterson/Typed of printed name Joni E. Peterson

Application Number

10/730,868

Filed

December 9, 2003

First Named Inventor

Lisa C. Tidwell

Art Unit

3696

Examiner

Clement B. Graham

Applicant requests review of the final rejection in the above-identified application. No amendments are being filed with this request.

This request is being filed with a Notice of Appeal.

The review is requested for the reason(s) stated on the attached sheet(s).

Note: No more than five (5) pages may be provided.

I am the

☐ applicant/inventor./William J. Daley/☐ assignee of record of the entire interest.
See 37 CFR 3.71. Statement under 37 CFR 3.73(b) is enclosed.
(Form PTO/SB/96)

Signature

William J. Daley

Typed or printed name

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Telephone number

☐ attorney or agent acting under 37 CFR 1.34.
Registration number if acting under 37 CFR 1.34. _____February 2, 2009

Date

NOTE: Signatures of all the inventors or assignees of record of the entire interest or their representative(s) are required. Submit multiple forms if more than one signature is required, see below*.

☐ *Total of _____ forms are submitted.

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TOWNSEND and TOWNSEND and CREW LLP

By: /Joni E. Peterson/
Joni E. Peterson

**STATEMENT OF REASONS IN
SUPPORT OF PRE-APPEAL BRIEF
REQUEST FOR REVIEW**

PATENT
Attorney Docket No.: 020375-045200US

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:

Lisa C. Tidwell et al.

Application No.: 10/730,868

Filed: December 9, 2003

For: SYSTEMS AND METHODS FOR
OBTAINING AUTHENTICATION
MARKS AT A POINT OF SALE

Customer No.: 20350

Confirmation No.: 6425

Examiner: Clement B. Graham

Art Unit: 3696

**STATEMENT OF REASONS IN
SUPPORT OF PRE-APPEAL BRIEF
REQUEST FOR REVIEW**

***Via EFS-Web
Mail Stop AF***
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

This statement is submitted in support of the Pre-Appeal Brief Request for Review, that is submitted herewith. The Applicant respectfully requests review of the final rejection mailed by the U.S. Patent Office for the above-identified application on September 3, 2008 ("the Final Office Action"). This paper is filed with a petition for a two-month extension of time, extending the deadline for response to February 3, 2009. Accordingly, this paper is believed to be timely filed.

A Notice of Appeal is being filed concurrently herewith.

1. Status of Claims

Claims 1, 5, 15, 24, 26, 37, and 45 stand rejected under 35 U.S.C. § 101 as allegedly directed to non-statutory subject matter. Claims 1-45 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U. S. Patent Pub. No. 2003/0056104 of Carr et al. (hereinafter “Carr”) in view of U.S. Patent Pub. No. 2003/0023555 of Rees (hereinafter Rees).

2. Reasons for Requesting Review

As noted above, the Office Action has rejected claims 1, 5, 15, 24, 26, 37, and 45 under 35 U.S.C. § 101 as allegedly directed to non-statutory subject matter. Regarding claim 5, the Applicants respectfully point out that the preamble of the claim clearly recites “a computerized apparatus.” Furthermore, the elements of this claim clearly recite “a computer processor.” The Applicants respectfully contend that these recitations are clearly directed to a “machine” and thus place claim 5 within the patentable subject matter specifically enumerated by 35 U.S.C. §101, i.e., a “process, machine, manufacture, or composition of matter” as recited by 35 U.S.C. §101. While claim 5 also recites functions performed by the apparatus, the Applicants contend that these recitations do not take the claim outside of the patentable subject matter enumerated by 35 U.S.C. §101. See MPEP § 2106.

Therefore, the Applicants maintain that the apparatus of claim 5 and the elements thereof (i.e., a computer processor) are clearly directed to a “machine” and any functional language recited therein does not take the claim outside of the patentable subject matter enumerated by 35 U.S.C. §101. That is, the Applicants respectfully argue that the fact that a processor executes code (i.e., an algorithm) does not change the physical nature of the processor itself to something abstract. For at least these reasons, the Applicant’s respectfully request withdrawal of the rejection.

Similarly, claim 24 clearly recites “an apparatus.” Furthermore, the elements of this claim clearly recite “a computer processor.” For reasons such as expressed above, the Applicants maintain that the apparatus of claim 24 and the elements thereof (i.e., a computer

processor) are clearly directed to a “machine” and any functional language recited therein does not take the claim outside of the patentable subject matter enumerated by 35 U.S.C. §101. For at least these reasons, the Applicant’s respectfully request withdrawal of the rejection.

Regarding claims 37, the Applicants respectfully point out that the preamble of the claim clearly recites “a computerized system.” Furthermore, the elements of this claim clearly recite “a point-of-sale device,” “a database,” “a computer processor,” and “a check authorization system.” The Applicants respectfully contend that these recitations are clearly directed to a “machine” and thus place claim 37 within the patentable subject matter specifically enumerated by 35 U.S.C. §101, i.e., a “process, machine, manufacture, or composition of matter” as recited by 35 U.S.C. §101, and any functional language recited therein does not take the claim outside of the patentable subject matter enumerated by 35 U.S.C. §101. For at least these reasons, the Applicant’s respectfully request withdrawal of the rejection.

Similarly, claim 45 clearly recites “a system.” Furthermore, the elements of this claim clearly recite various “means for” performing various functions. For reasons such as expressed above, the Applicants maintain that the system of claim 45 and the elements thereof are clearly directed to a “machine” and any functional language recited therein does not take the claim outside of the patentable subject matter enumerated by 35 U.S.C. §101. For at least these reasons, the Applicant’s respectfully request withdrawal of the rejection.

Regarding claims 1, 15, and 26, the Applicants note that the preambles of each of these claims recite “a computerized method.” As such, the claims are thought to be sufficiently related to a machine (a computer) as to place the claim within the realm of statutorily enumerated patentable subject matter. As for the statement that “Applicant’s claims are non-statutory as they do not produce a useful, concrete and tangible result”, the Applicants respectfully point to the recitation of claim 1 that includes “displaying with the point-of-sale device an indication of whether to accept the payroll check based on determining whether to authorize the caching of the payroll check.” Similarly, claim 15 recites “indicating to the entity whether to accept the check based at least in part on the risk score.” Claim 26 similarly recites “indicating to an entity

whether to accept the negotiable instrument based at least in part on the risk score.” The Applicants contend that these recitations provides useful, concrete, and tangible results, thus further solidifying the position of claims 1, 15, and 26 within the realm of patentable subject matter. For at least these reasons, the Applicant’s respectfully request withdrawal of the rejections.

The Office Action also rejected claims 1-45 under 35 U.S.C. § 103(a) as being unpatentable over U. S. Patent Pub. No. 2003/0056104 of Carr et al. (hereinafter “Carr”) in view of U.S. Patent Pub. No. 2003/0023555 of Rees (hereinafter Rees). The Applicants respectfully submit that the Office Action does not establish a *prima facie* case of obviousness in rejecting these claims since neither of the references, alone or in combination, teach or suggest determining a risk score for a transaction, e.g., based on information about an authenticating mark such as a watermark. Furthermore, neither reference teaches or suggests determining whether to authorize the transaction based on such a risk score.

Carr is directed to “various techniques for encoding hidden information in checks and other security documents.” (Abstract) More specifically, Carr describes watermarks used to detect alterations to the check (see Carr beginning at paragraph 18), prevent washing of the check (see Carr beginning at paragraph 40), and to authenticate the check (see Carr beginning at paragraph 46) For example, Carr describes this authentication process as scanning the check upon presentment and, if the mark is not found, considering the check to be counterfeit. However, Carr does not teach or suggest determining a risk score for a transaction, e.g., based on information about an authenticating mark such as a watermark. Rather, Carr describes authenticating a check based on whether the mark is present or not. Furthermore, Carr does not teach or suggest determining whether to authorize the transaction based on such a risk score or indicating such a determination in any way.

Rees is directed to “the delivery of financial services such as check cashing, payday loans, bill pay, money transfer, and money orders.” (paragraph 2) The system of Rees “uses a point-of-sale terminal (referred to as a PayPort), a central server (referred to as the

Central Decision Engine, or CDE), an ATM, and call center software (referred to as a Transaction Center Workstation, or TCW) to initiate and fulfill the financial services.” (paragraph 15) Under Rees “the financial transactions are initiated by customers using a PayPort or an ATM, utilize clerks at the PayPort to authenticate the customer and/or the transaction, are approved or declined centrally by the Central Decision Engine, and are fulfilled at either a PayPort or an ATM.” (paragraph 15) However, Rees does not teach or suggest determining a risk score for a transaction, e.g., based on information about an authenticating mark such as a watermark. Rather, Rees describes using “pre-defined rules and internal and external databases to determine whether to approve or decline the transaction, or refer the transaction to a Transaction Center operator” (paragraph 46) but does not mention generating a risk score. Furthermore, Rees does not teach or suggest determining whether to authorize the transaction based on such a risk score.

The combination of Carr and Rees is no more relevant to the pending claims since neither reference, alone or in combination, teaches or suggests determining a risk score for a transaction, e.g., based on information about an authenticating mark such as a watermark. Rather, Carr describes authenticating a check based on whether the mark is present or not while Rees describes using pre-defined rules and internal and external databases to determine whether to approve or decline the transaction, or refer the transaction to a Transaction Center operator but does not mention generating a risk score. Furthermore, neither reference teaches or suggests determining whether to authorize the transaction based on such a risk score. For at least these reasons, the Applicants maintain that the rejection is improper and should be withdrawn.

Respectfully submitted,

Date: February 2, 2009

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